GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:5582
ANSWERED ON:02.05.2002
DROP IN PROFIT OF HPCL
GANTA SRINIVASA RAO

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether HPCL has posted 82 percent drop in net profit for the quarter from Oct.-Dec., 2001;

(b) if so, the reasons therefor; and

(c) the steps taken for improving the performance of HPCL?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS AND MINISTER OF STATE IN THE MI OF PARLIAMENTARY AFFAIRS (SHRI SANTOSH KUMAR GANGWAR)

(a)&(b): Yes Sir. The drop in the net profit is attributed to the considerable decline in international parity price of petroleum products during the period which resulted in erosion in the value of inventories as well as net sales, lower refinery margins and provision of deferred tax in compliance with Accounting Standard-22.

(c): As there was no decline in the international prices of petroleum products in the fourth quarter, the situation has improved.